

Angelique D. Ross

September 16, 2010

<p>65</p> <p>1 Q. And he disputed the debt because the debt was</p> <p>2 paid on November 8th of 2004?</p> <p>3 A. Yes.</p> <p>4 Q. And indicated in his letter he was included a</p> <p>5 detailed report from his bank statement showing the</p> <p>6 payment and transaction number.</p> <p>7 A. Yes.</p> <p>8 Q. He also requested no further communication by</p> <p>9 phone or in writing from Midland.</p> <p>10 A. Yes.</p> <p>11 Q. As a result of that cease and desist request, no</p> <p>12 additional letters were ever sent to Mr. Brim?</p> <p>13 A. Correct.</p> <p>14 Q. Based on that cease and desist request, no</p> <p>15 additional phone calls should have been made to him as</p> <p>16 well, correct?</p> <p>17 A. Not from Midland, no.</p> <p>18 Q. If phone calls were made to Mr. Brim after</p> <p>19 July 29, 2008, that would have been a violation of the</p> <p>20 Fair Debt Collection Practices Act?</p> <p>21 A. Yes.</p> <p>22 Q. Did you know which employee received this letter?</p> <p>23 A. According to the notes, Melanie Bloom. It's on</p> <p>24 Page 53.</p> <p>25 Q. Are you at the bottom where it says, "Received</p>	<p>67</p> <p>1 A. Yes.</p> <p>2 Q. Page 53 it says, "Included copy of the bank</p> <p>3 statement showing 954.12 to Dell Financial, 11/08."</p> <p>4 Is that right?</p> <p>5 A. Yes.</p> <p>6 Q. Then it says "not proof"?</p> <p>7 A. Yes.</p> <p>8 Q. And then, "Forward to YGC." What does the "YGC"</p> <p>9 stand for?</p> <p>10 A. That just collectively means the firm, the</p> <p>11 outside collection firm.</p> <p>12 Q. The actual code doesn't refer to a specific firm?</p> <p>13 A. That's right.</p> <p>14 Q. Continuing on to Document 5, that is a letter</p> <p>15 from Mr. Brim dated March 10, 2009 to Midland; is that</p> <p>16 right?</p> <p>17 A. Yes.</p> <p>18 Q. It is disputing the debt?</p> <p>19 A. Yes.</p> <p>20 Q. He states, "He does not owe this debt and does</p> <p>21 not owe any debt to Dell"; is that right?</p> <p>22 A. Yes.</p> <p>23 Q. He puts that the debt was paid in full on</p> <p>24 November 8, 2004. And he encloses a copy of his bank</p> <p>25 statement.</p>
<p>66</p> <p>1 certified letter?"</p> <p>2 A. Yes.</p> <p>3 Q. It is postmarked "July 30th."</p> <p>4 How do you know who received it?</p> <p>5 A. There is a code that's three columns over from</p> <p>6 that notation.</p> <p>7 Q. Is that the "YGC" or the "BU8"?</p> <p>8 A. It's the "BU8."</p> <p>9 Q. Who is represented by "BU8"?</p> <p>10 A. Melanie Bloom.</p> <p>11 Q. Is she in the St. Cloud office or San Diego?</p> <p>12 A. San Diego.</p> <p>13 Q. Is she a liaison or supervisor?</p> <p>14 A. A liaison.</p> <p>15 Q. Still employed?</p> <p>16 A. Yes.</p> <p>17 Q. Can you tell from Page 53 what action Ms. Bloom</p> <p>18 took upon receipt of this letter?</p> <p>19 A. Well, I know that she noted the account. I</p> <p>20 believe she would have marked the account as "disputed"</p> <p>21 and also marked it with a "cease and desist" which is</p> <p>22 indicated by the "DISP" for dispute and "CND" for cease</p> <p>23 and desist. And then the letter, it says to forward it</p> <p>24 over to the firm handling it at the time.</p> <p>25 Q. That was an outside attorney collection firm?</p>	<p>68</p> <p>1 A. Yes.</p> <p>2 Q. Also in this letter, Mr. Brim requests Midland</p> <p>3 immediately correct his credit report with all three</p> <p>4 agencies to show a zero balance and no derogatory or</p> <p>5 negative information, correct?</p> <p>6 A. Correct.</p> <p>7 Q. If you go back to the collection detail, what was</p> <p>8 done upon receipt of this letter?</p> <p>9 A. The account is noted. It would have already had</p> <p>10 cease and desists codes on there, so the information would</p> <p>11 have been noted and then scanned.</p> <p>12 Q. Who handled this letter that was received?</p> <p>13 A. Melanie Bloom.</p> <p>14 Q. I see it is on the 13th?</p> <p>15 A. Yes.</p> <p>16 Q. It has "BU8." Ms. Bloom got this second letter</p> <p>17 from Mr. Brim?</p> <p>18 A. Yes.</p> <p>19 Q. Do you know if Ms. Bloom is the person who has</p> <p>20 the handwritten notes on Page 5?</p> <p>21 A. It looks like her handwriting.</p> <p>22 Q. What does that represent?</p> <p>23 A. The Midland account number.</p> <p>24 Q. That was not on the letter? She would have had</p> <p>25 to have looked that up in the system?</p>



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<p>1 A. Yes.</p> <p>2 Q. The only action that would have been taken by</p> <p>3 Ms. Bloom upon receipt of the second letter is to document</p> <p>4 the receipt of it and then send it over to be scanned?</p> <p>5 A. Yes.</p> <p>6 Q. Look at the collection account detail. It notes</p> <p>7 that Mr. Brim called in with a dispute as well.</p> <p>8 A. Yes.</p> <p>9 Q. What date was that?</p> <p>10 A. 3/11/2009.</p> <p>11 Q. Which consumer relations employee received that</p> <p>12 call?</p> <p>13 A. Sidney Barrett.</p> <p>14 Q. Is that a man or a woman?</p> <p>15 A. Woman.</p> <p>16 Q. Is she in San Diego?</p> <p>17 A. Yes.</p> <p>18 Q. Looking at Page 53, March 10th, 2009, it has,</p> <p>19 "FAC Data called request authorization to release and to</p> <p>20 have consumer fax cease and desist."</p> <p>21 Do you know what the means?</p> <p>22 A. I believe so.</p> <p>23 Q. Okay. Can you tell us?</p> <p>24 A. I believe "FAC Data" is short for Factual Data,</p> <p>25 which is a company.</p>	<p>1 Do you know what that is?</p> <p>2 A. CCI is customer called in from a blocked number,</p> <p>3 transferred to Extension 5034.</p> <p>4 Q. Who is "Extension 5034," if you know?</p> <p>5 A. I don't know.</p> <p>6 Q. Do you know who "Z76" is?</p> <p>7 A. Not off the top of my head.</p> <p>8 Q. That wouldn't be someone from your department?</p> <p>9 A. No.</p> <p>10 Q. Do you know if "Z76" is someone from the</p> <p>11 collections department?</p> <p>12 A. I believe it is, yes.</p> <p>13 Q. "BC7." Do you know who that is?</p> <p>14 A. Sidney Barrett.</p> <p>15 Q. She is in consumer relations?</p> <p>16 A. Yes.</p> <p>17 Q. She took the call on March 11th, the next day?</p> <p>18 A. Yes.</p> <p>19 Q. Do you know why the account manager employee</p> <p>20 indicated that Mr. Brim needed to fax a cease and desist</p> <p>21 release?</p> <p>22 A. From what I know, the account managers can't</p> <p>23 speak with or they don't speak with consumers who have a</p> <p>24 cease and desist on their account. So they would request</p> <p>25 to have something indicating that the consumer basically</p>
<p>1 So Factual Data called in. Now it is referring</p> <p>2 back to the person who requested the note. They request</p> <p>3 information to release -- basically, to release</p> <p>4 information and also to have the consumer fax a cease and</p> <p>5 desist release.</p> <p>6 Q. What kind of company is Factual Data?</p> <p>7 A. I believe they are a credit verification company.</p> <p>8 They do something verifying information on the credit</p> <p>9 report.</p> <p>10 Q. And the employee at Midland told them Mr. Brim</p> <p>11 would need to fax a cease and desist release?</p> <p>12 A. He told them that they would need an</p> <p>13 authorization so that he could release information and to</p> <p>14 have the consumer fax a cease and desist release.</p> <p>15 Q. What employee handled that?</p> <p>16 A. I believe that is Jonathan Harkless.</p> <p>17 Q. What is his position?</p> <p>18 A. He is an account manager.</p> <p>19 Q. He's not in consumer relations?</p> <p>20 A. No.</p> <p>21 Q. He just took the call in the collections</p> <p>22 department?</p> <p>23 A. Correct.</p> <p>24 Q. Continuing up from the same date, it has, "CCI,</p> <p>25 from blocked number."</p>	<p>1 wanted to have communication again.</p> <p>2 Q. But that doesn't apply to consumer relations when</p> <p>3 the consumer is calling in regarding a dispute?</p> <p>4 A. That's correct.</p> <p>5 Q. There is no information that Ms. Barrett told</p> <p>6 Mr. Brim he needed to fax in a cease and desist release?</p> <p>7 A. Correct.</p> <p>8 Q. There is no notation that Ms. Barrett informed</p> <p>9 Mr. Brim that the documentation he previously provided was</p> <p>10 insufficient to resolve this dispute?</p> <p>11 A. Correct.</p> <p>12 Q. Following receipt of Mr. Brim's two letters and</p> <p>13 his telephone call, Midland continued to report the</p> <p>14 account with a past due balance and being owed by</p> <p>15 Mr. Brim?</p> <p>16 A. Yes, it continued to report but was marked as</p> <p>17 "disputed."</p> <p>18 Q. It was reporting with a balance due of over</p> <p>19 \$1,600. So we're clear, after March 2009, Midland</p> <p>20 continued to report a balance due of over \$1,600?</p> <p>21 A. Yes.</p> <p>22 Q. That amount changed monthly based on interest?</p> <p>23 A. Yes.</p> <p>24 Q. There is no information in the collection detail</p> <p>25 that Midland ever contacted Dell to question or</p>



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<p>73</p> <p>1 investigate Mr. Brim's dispute?</p> <p>2 A. That's correct.</p> <p>3 Q. Let's go back to document No. 7. Can you tell me</p> <p>4 what this is?</p> <p>5 A. This is the customer "Additional Data" screen.</p> <p>6 It is a screen in our system.</p> <p>7 Q. There is a "Customer Data" screen and then a</p> <p>8 customer "Additional Data" screen?</p> <p>9 A. There isn't a specific screen labeled "Customer</p> <p>10 Data." But the "Customer Additional" screen would be the</p> <p>11 main screen.</p> <p>12 Q. This contains additional information regarding</p> <p>13 the account itself?</p> <p>14 A. Correct.</p> <p>15 Q. On Page 7, it indicates an interest rate of</p> <p>16 six percent --</p> <p>17 A. Yes.</p> <p>18 Q. -- that Midland is adding to the account?</p> <p>19 A. Yes.</p> <p>20 Q. Do you have any information why Midland chose</p> <p>21 that interest rate?</p> <p>22 A. No.</p> <p>23 Q. And also on this Document 7 on the customer</p> <p>24 "Additional Data" screen, it indicates that the date of</p> <p>25 occurrence was October 18, 2004?</p>	<p>75</p> <p>1 MS. CAULEY: We're going to mark that as</p> <p>2 Plaintiff's Exhibit 2.</p> <p>3 (Exhibit 2 was marked.)</p> <p>4 BY MS. CAULEY:</p> <p>5 Q. Let's look at Plaintiff's Exhibit 2. The</p> <p>6 collection detail for this account consists of two pages?</p> <p>7 A. Yes.</p> <p>8 Q. Does it contain all comments or collection notes</p> <p>9 that would have been added on the account?</p> <p>10 A. I don't think it does.</p> <p>11 Q. Are collection calls kept separately?</p> <p>12 A. Not necessarily, but there are some older notes</p> <p>13 that may be archives.</p> <p>14 Q. Is there a way to determine whether there are</p> <p>15 older notes that would be archived?</p> <p>16 A. Not that you could determine from this screen,</p> <p>17 but there should be a screen in here somewhere that</p> <p>18 shows --</p> <p>19 Q. We'll get to that. When we get to it, if you</p> <p>20 would just let me know.</p> <p>21 A. Okay.</p> <p>22 Q. It is the main screen that comes up?</p> <p>23 A. Yes.</p> <p>24 Q. It contains the most up-to-date information</p> <p>25 regarding an account?</p>
<p>74</p> <p>1 A. Okay.</p> <p>2 Q. Do you see that?</p> <p>3 A. Yes.</p> <p>4 Q. To your knowledge, would that have been the</p> <p>5 charge-off date or the delinquency date?</p> <p>6 A. It is the delinquency date.</p> <p>7 Q. Under that, it has the statute of limitations</p> <p>8 expiration date as October 18, 2007.</p> <p>9 A. Yes.</p> <p>10 Q. And if you come down, it has, "Last work date,</p> <p>11 February 25th, 2000 by DPB."</p> <p>12 Did you know who that is?</p> <p>13 A. I don't.</p> <p>14 Q. Is that in the San Diego site?</p> <p>15 A. Yes, I believe so.</p> <p>16 Q. Turn to the next page, 8 through 10. It's</p> <p>17 another collection detail. It was printed February 25,</p> <p>18 2010. If you look at Page 52, it was printed June 7,</p> <p>19 2010.</p> <p>20 A. Yes.</p> <p>21 Q. I believe they're exactly the same except for the</p> <p>22 print date and the balance on the account.</p> <p>23 A. Yes, I believe so.</p> <p>24 Q. If you would go back to Page 52, we'll just look</p> <p>25 at the most recent.</p>	<p>76</p> <p>1 A. Yes.</p> <p>2 Q. And should have the most up-to-date comments on</p> <p>3 the account?</p> <p>4 A. Yes.</p> <p>5 Q. If you look down, it has the -- it has Mr. Brim's</p> <p>6 name and the original account number from Dell Financial</p> <p>7 services.</p> <p>8 Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. It has the attorney's address?</p> <p>11 A. Correct.</p> <p>12 Q. It still has the six percent interest indicated?</p> <p>13 A. Yes.</p> <p>14 Q. And interest and fees, it has with those totaled.</p> <p>15 It was printed.</p> <p>16 A. Yes.</p> <p>17 Q. If you come down, it has a balance due of \$1,709?</p> <p>18 A. Yes.</p> <p>19 Q. It that's statute of limitations expiration of</p> <p>20 October 18, 2007?</p> <p>21 A. Yes.</p> <p>22 Q. If letters are mailed out on an account, they</p> <p>23 would be documented in the collection detail unless</p> <p>24 they've been previously archived?</p> <p>25 A. Yes.</p>



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<p>77</p> <p>1 Q. If you look at an entry on Page 3, dated 2 January 21st, 2008, it is about midway down. 3 Do you see that? 4 A. Yes. 5 Q. It says, "Account eligible for recovery. Legal 6 letter mailed." 7 A. Yes. 8 Q. Going up to March 30th, 2008, the account was 9 referred to an attorney's office? 10 A. Yes. 11 Q. Going back to 2, if you look at the comments, 12 there is no indication that Mr. Brim was told, either in 13 writing or on the phone during his telephone call, that he 14 needed to send in additional documentation for his 15 dispute, correct? 16 A. Correct. 17 Q. And the payment of 954.12 was never added to the 18 account or credited to the account? 19 A. No. 20 Q. Midland did not consider the payment of 954.12 as 21 even a partial payment on the account? 22 A. Midland didn't -- well, we don't -- we wouldn't 23 necessarily credit that payment to the account or proof of 24 that payment, generally. But payments made like that, the 25 actual payment would be sent to Midland.</p>	<p>79</p> <p>1 have recognized. 2 Q. So basically, the ACDV comes in from Trans Union. 3 The data matches. And it is verified as accurate by the 4 system? 5 A. It probably would have been verified, probably 6 modified to show that there was a dispute. And based on 7 the codes and the queue location, the information compared 8 and then responded to is modified. 9 Q. The notes do say, "Account dispute. Modified 10 E-Oscar. Dispute Type 12." 11 What is that? 12 A. I don't remember offhand. But it is the dispute 13 type that Mr. Brim would have selected when submitting his 14 dispute through the credit bureau. 15 Q. So it would have been -- the type would come 16 through the credit bureau itself? That's not a type that 17 Midland would have selected? 18 A. Correct. 19 Q. Trans Union, upon receipt of that ACDV Dell, was 20 not contacted? 21 A. No. 22 Q. Red Stone Federal Credit Union, where the bank 23 statement was from, was not contacted to verify whether 24 that bank statement was valid or whether a payment had 25 been made?</p>
<p>78</p> <p>1 Q. So the fact that Mr. Brim had sent in a bank 2 statement showing a payment to Dell Financial in the 3 amount of 954.12, Midland, first, did not consider that to 4 be proof of payment in full on the account, correct? 5 A. Correct. 6 Q. And Midland didn't consider it to be proof of at 7 least a partial payment, correct? 8 A. Correct. 9 Q. And Midland never contacted Dell to determine 10 what the status of that payment was? 11 A. That's correct. 12 Q. And then on August 6, 2008, there is an entry on 13 Plaintiff's Exhibit 2 that an ACDV was received from 14 Trans Union; is that correct? 15 A. Correct. 16 Q. And the fact that there are asterisks where an 17 employee ID would be contained, does that indicate to you 18 that that ACDV was handled electronically by the batch 19 interface system? 20 A. Yes. 21 Q. No actual documents were reviewed in responding 22 to the ACDV received on August 6, 2008 from Trans Union? 23 A. No. The system didn't review that. But if there 24 were a review of the documents happening at that time, 25 there would have been specific codes that the system could</p>	<p>80</p> <p>1 A. No. 2 Q. Midland does not have a copy of that ACDV 3 response, do they? 4 A. I don't think so. 5 Q. They can print from the system but only for a 6 period of time; is that right? 7 A. Yes. 8 Q. Is it six months? 9 A. 120 days. 10 Q. So after 120 days, any ACDV responses would not 11 be available for print by Midland? 12 A. That's correct. 13 Q. There is an entry on August 12, 2008. An ACDV 14 was received from Experian; is that right? 15 A. Yes. 16 Q. And, again, the batch interface system handled 17 that dispute electronically? 18 A. That's right. 19 Q. Nothing was done differently in the handling of 20 that first ACDV than the first? 21 A. No. 22 Q. On March 19, 2009, a third ACDV was received 23 from -- this one was from Trans Union; is that right? 24 A. Yes. 25 Q. At that time, it states the dispute type was 109?</p>



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<p>81</p> <p>1 A. Yes.</p> <p>2 Q. Again, the batch interface system responded to</p> <p>3 that ACDV?</p> <p>4 A. Yes.</p> <p>5 Q. It was the same response as to the previous two</p> <p>6 ACDV?</p> <p>7 A. Yes. It looks like it.</p> <p>8 Q. No investigation was done by a consumer relations</p> <p>9 employee into the dispute?</p> <p>10 A. No.</p> <p>11 Q. No documents were reviewed by any employee of</p> <p>12 consumer relations in response to the ACDV?</p> <p>13 A. No.</p> <p>14 Q. No letters were sent to Mr. Brim regarding</p> <p>15 receipt of that ACDV?</p> <p>16 A. No. No letters could be sent regarding that</p> <p>17 dispute because of the cease and desist.</p> <p>18 Q. And Dell was not contacted?</p> <p>19 A. That's correct.</p> <p>20 Q. On March 20th, 2009, the very next day, an ACDV</p> <p>21 is received from Equifax?</p> <p>22 A. Yes.</p> <p>23 Q. Same dispute type, 109, for this ACDV?</p> <p>24 A. Yes.</p> <p>25 Q. And this fourth ACDV was also handled by the</p>	<p>83</p> <p>1 A. Correct.</p> <p>2 Q. At the top it has "1,979 messages."</p> <p>3 Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. Do you know what that means?</p> <p>6 A. The account managers don't have access to</p> <p>7 e-mails, so their managers can send them messages through</p> <p>8 this system. Usually, it is when they want to send a</p> <p>9 group message. It refers to all the messages that have</p> <p>10 been sent.</p> <p>11 Q. They're not messages regarding Mr. Brim's</p> <p>12 account?</p> <p>13 A. No.</p> <p>14 Q. Or the reporting of this account?</p> <p>15 A. No.</p> <p>16 Q. It is just how many might have been in the system</p> <p>17 at that time?</p> <p>18 A. Correct.</p> <p>19 Q. Are you familiar with the code on -- compliance</p> <p>20 condition code it is Column 3? It has a status "XF"?</p> <p>21 A. Yes.</p> <p>22 Q. What does that mean?</p> <p>23 A. I don't remember the exact verbiage. It's the</p> <p>24 code that is added to indicate that the consumer has</p> <p>25 disputed that trade line.</p>
<p>82</p> <p>1 batch interface system?</p> <p>2 A. That's correct.</p> <p>3 Q. Nothing new was done in responding to that ACDV?</p> <p>4 A. No.</p> <p>5 Q. Then on February 25th, 2010, an ACDV was received</p> <p>6 from Trans Union?</p> <p>7 A. Yes.</p> <p>8 Q. Dispute Type 112?</p> <p>9 A. Yes.</p> <p>10 Q. This fifth ACDV was handled by the batch</p> <p>11 interface system?</p> <p>12 A. Yes.</p> <p>13 Q. With respect to all of the ACDVs that were</p> <p>14 received by Midland regarding disputes by Mr. Brim, each</p> <p>15 and every one of them was handled electronically by the</p> <p>16 batch interface system?</p> <p>17 A. Yes.</p> <p>18 Q. No consumer relations employee ever reviewed the</p> <p>19 ACDVs?</p> <p>20 A. That is correct.</p> <p>21 Q. If you'll look at Page 11, Midland Document 11,</p> <p>22 this looks like a summary of when Midland started</p> <p>23 reporting the account.</p> <p>24 A. Yes.</p> <p>25 Q. That would have been November 16, 2007?</p>	<p>84</p> <p>1 Q. So Midland did report that the account was</p> <p>2 disputed by Mr. Brim --</p> <p>3 A. Yes.</p> <p>4 Q. -- once they got his written dispute?</p> <p>5 A. Yes.</p> <p>6 Q. Document No. 12, do you know what this is?</p> <p>7 A. Yes.</p> <p>8 Q. Can you tell us what it is, please?</p> <p>9 A. It is a printout of payment history, "Payment</p> <p>10 History" screen.</p> <p>11 Q. Do you know what those payments would have been</p> <p>12 from, why those credits were made?</p> <p>13 A. I'm not positive because these are in relation to</p> <p>14 transactions with the firm. So I don't know that they're</p> <p>15 actually payments from a consumer.</p> <p>16 Q. The collector code being "YGC," means these</p> <p>17 payments would have been with respect to the outside</p> <p>18 collection firm handling it?</p> <p>19 A. Yes. I think it is more their transactions. I'm</p> <p>20 not sure they're payments.</p> <p>21 Q. So that would not represent a payment made by</p> <p>22 Mr. Brim?</p> <p>23 A. That's right.</p> <p>24 Q. We already looked at documents there, the "Letter</p> <p>25 History" screen?</p>



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<p>93</p> <p>1 the account, something to indicate how much was owed and</p> <p>2 that it belonged to that individual?</p> <p>3 A. Yes.</p> <p>4 Q. There were no documents obtained from Dell?</p> <p>5 A. Correct.</p> <p>6 Q. 46 through 48, can you tell me what that is?</p> <p>7 A. It looks like it is just a search -- I'm not</p> <p>8 sure.</p> <p>9 Q. Okay.</p> <p>10 MR. LANGLEY: We're at noon.</p> <p>11 MS. CAULEY: Why don't we stop with her and bring</p> <p>12 in our other witness so we make sure we get him done and</p> <p>13 I'll try and limit what I have to ask him.</p> <p>14 MR. LANGLEY: Shall we take 30 minutes to get</p> <p>15 lunch?</p> <p>16 MS. CAULEY: Sure. That is fine.</p> <p>17 (A recess was taken.)</p> <p>18 BY MS. CAULEY:</p> <p>19 Q. You understand you are still under oath from this</p> <p>20 morning?</p> <p>21 A. Yes.</p> <p>22 Q. We'll start with Midland Document 49 through 51.</p> <p>23 Please tell me what that document is?</p> <p>24 A. It is the customer "Additional Data" screen.</p> <p>25 Q. Is that just another view of the customer</p>	<p>95</p> <p>1 represents?</p> <p>2 A. I don't know.</p> <p>3 Q. The seller is identified as Dell Financial</p> <p>4 Services?</p> <p>5 A. Yes.</p> <p>6 Q. Number of accounts 63,346?</p> <p>7 A. Yes.</p> <p>8 Q. Mr. Brim's account was purchased in a portfolio</p> <p>9 that contained 63,346 accounts?</p> <p>10 A. Yes.</p> <p>11 Q. Under that, it has some information with respect</p> <p>12 to -- it looks like fees or settlement options, can you</p> <p>13 tell, where it says under "media access"?</p> <p>14 A. That would be the cost of the documents.</p> <p>15 Q. To obtain the documents from Dell?</p> <p>16 A. Yes.</p> <p>17 Q. We looked earlier at the "Account Media" screen.</p> <p>18 That did not contain any media, but this Document 55 would</p> <p>19 indicate media could be purchased?</p> <p>20 A. Yes, probably after that 20 percent or after the</p> <p>21 40 percent.</p> <p>22 Q. What does that percent represent?</p> <p>23 A. Typically, that number represents the amount of</p> <p>24 documentation that doesn't have a cost initially or may</p> <p>25 have a lower cost.</p>
<p>94</p> <p>1 additional data that we looked at earlier? If you don't</p> <p>2 remember, it's okay.</p> <p>3 A. I believe so. Yeah, I believe it is just printed</p> <p>4 on a different date.</p> <p>5 Q. What's the page you are looking at now?</p> <p>6 A. Page 7.</p> <p>7 Q. So Page 49, 351 is the same as what is</p> <p>8 represented on Page 7 except the date printed?</p> <p>9 A. Yeah. It is actually a different view. It is</p> <p>10 the same information. But on Page 45, if you see in the</p> <p>11 middle where it says, "click to view printable version,"</p> <p>12 if you click on that, you get this Page 7.</p> <p>13 Q. Okay. Then, if you'll go on to Page 55.</p> <p>14 55 through 57 is the portfolio master</p> <p>15 information.</p> <p>16 A. Yes.</p> <p>17 Q. Do you know what that is?</p> <p>18 A. Yes. It is another screen in our system that</p> <p>19 gives account information.</p> <p>20 Q. Does this information refer to the portfolio</p> <p>21 within which Mr. Brim's account was obtained by Midland?</p> <p>22 A. Yes.</p> <p>23 Q. And it has a purchase date of October 10, 2007?</p> <p>24 A. Yes.</p> <p>25 Q. And account type. Do you know what "CL"</p>	<p>96</p> <p>1 Q. So anything less than 20 percent might be free?</p> <p>2 A. It may be, yes.</p> <p>3 Q. It also has some information about what type of</p> <p>4 accounts these were that were purchased from Dell,</p> <p>5 correct?</p> <p>6 A. Yes.</p> <p>7 Q. Go on to Pages 68 through 60. This indicates it</p> <p>8 is a "Consumer Information Maintenance" screen. Are you</p> <p>9 familiar with that screen?</p> <p>10 A. Yes.</p> <p>11 Q. What's the purpose of that screen?</p> <p>12 A. On this screen, you could -- for instance, if the</p> <p>13 consumer was deceased, it is a location where you can add</p> <p>14 a warning code if you forget to add it in another</p> <p>15 location.</p> <p>16 Q. If a code is contained in the collection detail</p> <p>17 account, which is marked as Plaintiff's Exhibit 2, would</p> <p>18 it have been entered on the "Consumer Information</p> <p>19 Maintenance" screen?</p> <p>20 A. It might have been.</p> <p>21 Q. It could also be entered on a different screen?</p> <p>22 A. Yes.</p> <p>23 Q. If a warning code is entered on a different</p> <p>24 screen, does it automatically get placed on the "Consumer</p> <p>25 Information Maintenance" screen?</p>



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<p>97</p> <p>1 A. Yes.</p> <p>2 Q. If you enter it in one place, it will populate to</p> <p>3 other places?</p> <p>4 A. Yes.</p> <p>5 Q. Page 61 looks like an "Address Maintenance"</p> <p>6 screen.</p> <p>7 A. Yes.</p> <p>8 Q. Beginning on 64, we have some additional address</p> <p>9 maintenance information?</p> <p>10 A. Yes.</p> <p>11 Q. Is that information that is generally received</p> <p>12 from the original creditor?</p> <p>13 A. Sometimes, yes.</p> <p>14 MR. LANGLEY: You you are asking that question</p> <p>15 with respect to 61 through 63 or 64?</p> <p>16 MS. CAULEY: Both. It looks like 64, 65, 66 go</p> <p>17 with the "Address Maintenance" screen. It looks like</p> <p>18 they're printouts, addresses that are contained in the</p> <p>19 "Address Maintenance" screen.</p> <p>20 BY MS. CAULEY:</p> <p>21 Q. If a new address is obtained by Midland, they</p> <p>22 enter it. And the old address remains part of the record</p> <p>23 as well as the new address?</p> <p>24 A. Yes.</p> <p>25 Q. Same with phone maintenance, phone numbers and</p>	<p>99</p> <p>1 A. Yes.</p> <p>2 Q. Does it report to any credit reporting agencies</p> <p>3 other than Equifax, Trans Union, Experian?</p> <p>4 A. No.</p> <p>5 Q. The same information would be reported to all</p> <p>6 three; is that correct?</p> <p>7 A. Yes.</p> <p>8 Q. This shows that began reporting on November 16th,</p> <p>9 2007?</p> <p>10 A. Yes.</p> <p>11 Q. It has an amount past due of 1,587?</p> <p>12 A. Yes.</p> <p>13 Q. At the top, it looks like a balance of \$1,799.</p> <p>14 A. Yes.</p> <p>15 Q. Do you know which balance was reporting or were</p> <p>16 both reporting on the credit report?</p> <p>17 A. This screen was printed 6/7/10. The information</p> <p>18 at the top would have been the balance at the time that</p> <p>19 the screen was printed. Whereas, the information</p> <p>20 underneath "bureau reports by reporting date" would have</p> <p>21 been the information reported to the credit bureaus as of</p> <p>22 November.</p> <p>23 Q. November 16th, 2007, the balance reported as</p> <p>24 unpaid and past due was \$1,587.</p> <p>25 A. Yes.</p>
<p>98</p> <p>1 things that are obtained?</p> <p>2 A. Yes.</p> <p>3 Q. If you look at 73, we're back to the letter</p> <p>4 history inquiry. It looks like a duplicate?</p> <p>5 A. Yes.</p> <p>6 Q. Page 85. Do you know what that screen is?</p> <p>7 A. Yes.</p> <p>8 Q. Can you tell us what it is?</p> <p>9 A. WACH/SCNL list.</p> <p>10 Q. Can you tell us what that means?</p> <p>11 A. It is a screen that if a credit bureau notifies</p> <p>12 Midland that a consumer is obtaining credit, to makes sure</p> <p>13 it appears.</p> <p>14 Q. If Mr. Brim had applied for credit at some point</p> <p>15 during the time that Midland had the account, that may</p> <p>16 have come up on this screen?</p> <p>17 A. It may have, yes.</p> <p>18 Q. If you'll go to Midland Document 91, these are</p> <p>19 the bureau reports by the Reporting Data screens?</p> <p>20 A. Yes.</p> <p>21 Q. Is there a screen for each month that an account</p> <p>22 is reported to the credit bureaus?</p> <p>23 A. Yes.</p> <p>24 Q. Does Midland report to all three of the major</p> <p>25 credit reporting agencies?</p>	<p>100</p> <p>1 Q. Then the following month, the balance increased?</p> <p>2 A. Yes.</p> <p>3 Q. And in 2008, the information remained the same</p> <p>4 except that the balance increased to \$1,602?</p> <p>5 A. Yes.</p> <p>6 Q. If you will, just review it. It looks like each</p> <p>7 month the information remains the same except the balance</p> <p>8 increases for February to March 2008 and then to April of</p> <p>9 2008; is that right?</p> <p>10 A. Yes.</p> <p>11 Q. March of 2008, it looks like there is an address</p> <p>12 change?</p> <p>13 MR. LANGLEY: May of 2008?</p> <p>14 MS. CAULEY: I'm sorry. May 2008.</p> <p>15 THE WITNESS: Yes.</p> <p>16 BY MS. CAULEY:</p> <p>17 Q. And the balance increased in May of 2008?</p> <p>18 A. Yes.</p> <p>19 Q. The June to July balanced remained the same. But</p> <p>20 in August, the address goes back to an Alabama address but</p> <p>21 has the same unpaid balance; is that right?</p> <p>22 A. Yes.</p> <p>23 Q. Do you know why for three months the balance</p> <p>24 remained the same but then it increased again?</p> <p>25 A. I don't.</p>



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<p>117</p> <p>1 debt?</p> <p>2 A. Correct.</p> <p>3 Q. Prior to July 2010, when you told me earlier</p> <p>4 today some changes may have been made with respect to the</p> <p>5 Fair Credit Reporting Act from October 2007 up through</p> <p>6 July 1st, 2010, were Midland's policies and procedures for</p> <p>7 the handling of ACDVs the same?</p> <p>8 MR. LANGLEY: Object to the form.</p> <p>9 THE WITNESS: I believe so, yes.</p> <p>10 BY MS. CAULEY:</p> <p>11 Q. As far as you are aware, there were no changes in</p> <p>12 how ACDV are responded to from October 2007 to July 1st,</p> <p>13 2010?</p> <p>14 A. No, not that I can recall.</p> <p>15 Q. Are there any type of reports maintained on the</p> <p>16 consumer relations liaisons with respect to the number of</p> <p>17 ACDVs they review or the number of disputes they review on</p> <p>18 a weekly or monthly or quarterly basis?</p> <p>19 A. Yes.</p> <p>20 Q. What are those reports?</p> <p>21 A. They're a production report.</p> <p>22 Q. How are they done? Monthly? Quarterly?</p> <p>23 A. There is one report that is run daily. And</p> <p>24 another that is -- I guess weekly.</p> <p>25 Q. Are these production reports done by employee or</p>	<p>119</p> <p>1 necessarily?</p> <p>2 A. Correct.</p> <p>3 Q. If it happened over a period of months, would</p> <p>4 disciplinary action be taken?</p> <p>5 A. There may be. If a manager spoke to that person</p> <p>6 and tried to work with them and didn't necessarily see a</p> <p>7 reason why that number would be low and maybe there wasn't</p> <p>8 any improvement.</p> <p>9 Q. Are those reports maintained? Do you maintain</p> <p>10 those reports?</p> <p>11 A. Yes.</p> <p>12 Q. How long do you maintain those?</p> <p>13 A. I don't know that we discarded any. I believe I</p> <p>14 have them since I started managing.</p> <p>15 Q. Are there any other type of reports that you keep</p> <p>16 on the number of disputes that are received or how quickly</p> <p>17 they're handled, anything like that, with respect to the</p> <p>18 consumer relations department?</p> <p>19 A. There's a report through E-Oscar that will show</p> <p>20 how many disputes came through E-Oscar.</p> <p>21 Q. Do you print those?</p> <p>22 A. No. We don't usually print those. Just take the</p> <p>23 information from the report.</p> <p>24 Q. Is that how the daily and weekly production</p> <p>25 reports are compiled?</p>
<p>118</p> <p>1 by the department?</p> <p>2 A. By employee.</p> <p>3 Q. And what do they contain? What type of</p> <p>4 information?</p> <p>5 A. How many accounts each person worked in a certain</p> <p>6 timeframe.</p> <p>7 Q. Are there goals for liaisons to meet with respect</p> <p>8 to how many accounts they work?</p> <p>9 A. Per day, yes.</p> <p>10 Q. How many accounts is a liaison expected to work</p> <p>11 per day?</p> <p>12 A. About 70 accounts.</p> <p>13 Q. Is there any type of incentive program or</p> <p>14 compensation that is provided if they work more than 70?</p> <p>15 A. No.</p> <p>16 Q. Is there any type of discipline or do they</p> <p>17 receive any type of write-up if they do not meet their</p> <p>18 quota?</p> <p>19 A. There could be. But generally, I would say no</p> <p>20 because depending on the volume or the circumstances,</p> <p>21 there may be times when they need to be lower than that</p> <p>22 number because of whatever is going on at the time.</p> <p>23 Q. If it is just one day here or there or a couple</p> <p>24 of days during a particularly busy time, if an employee</p> <p>25 falls below the 70, there wouldn't be disciplinary action</p>	<p>120</p> <p>1 A. It is a part of the daily production report.</p> <p>2 Q. Is there any type of log that documents written</p> <p>3 disputes from consumers versus ACDV disputes?</p> <p>4 A. I'm not sure what you mean by "log."</p> <p>5 Q. E-Oscar creates a record of how many disputes are</p> <p>6 received by Midland daily?</p> <p>7 A. Yes.</p> <p>8 Q. Is there any type of report or document that</p> <p>9 keeps count or a record of written disputes received</p> <p>10 directly by Midland for the consumer?</p> <p>11 A. No, not specifically written disputes. There is</p> <p>12 a report that will state how much correspondence has come</p> <p>13 into the department. But those are not all necessarily</p> <p>14 disputes.</p> <p>15 Q. So is there some type of report that maintains</p> <p>16 the volume of correspondence that is received by the</p> <p>17 consumer relations department?</p> <p>18 A. Yes.</p> <p>19 Q. What is that report called?</p> <p>20 A. We call it the "daily mail count."</p> <p>21 Q. And there is no distinction made on that report</p> <p>22 whether there was a dispute or what the letter was versus</p> <p>23 cease and desist, something like that?</p> <p>24 A. No. It is the count of the mail as it comes in.</p> <p>25 Q. Do the liaisons -- they work 8:00 to 5:00? 9:00</p>



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<p>121</p> <p>1 to 5:00?</p> <p>2 A. Most of them work somewhere between -- some start</p> <p>3 earlier, 6:00 to 2:30, 7:00 to 3:30, 8:00 to 4:30.</p> <p>4 Q. Do they take a half hour lunch? An hour lunch?</p> <p>5 A. Most of the time they take a half hour lunch.</p> <p>6 Q. Do they get any other breaks during the day?</p> <p>7 A. Yes. Standard, two 15-minute breaks.</p> <p>8 Q. Are there any other standards?</p> <p>9 A. You mean others besides production?</p> <p>10 Q. Yes, besides the production?</p> <p>11 A. Well, I mean, we want them to do things</p> <p>12 accurately and follow the policies and procedures so there</p> <p>13 isn't anything specific. But if somebody noticed</p> <p>14 something, they would address that with that person.</p> <p>15 There may be opportunity to revisit it with the whole team</p> <p>16 if there's questions about policies and procedures.</p> <p>17 Q. How do you find out or how does the supervisor</p> <p>18 find out if the liaison is not following the policies and</p> <p>19 procedures?</p> <p>20 A. That may happen during account review. The</p> <p>21 accounts are not assigned to any one specific person.</p> <p>22 Different people may come across the same account or I may</p> <p>23 end up talking to a consumer, something like that. So it</p> <p>24 could be various ways.</p> <p>25 Q. If they ran across something they felt was</p>	<p>123</p> <p>1 disputes regarding paid prior to Midland purchasing it</p> <p>2 with respect to the Dell portfolio?</p> <p>3 A. I don't know.</p> <p>4 Q. Does Midland keep any type of report on how many</p> <p>5 disputes are received with respect to a particular</p> <p>6 portfolio?</p> <p>7 A. No, we don't. In my department, we don't. A</p> <p>8 another department may.</p> <p>9 Q. If ACDVs were received from other consumers</p> <p>10 alleging the same thing that Mr. Brim was alleging, they</p> <p>11 would have been handled the same way that Mr. Brim's ACDV</p> <p>12 was handled; is that correct?</p> <p>13 A. It would depend.</p> <p>14 Q. If everything were the same as Mr. Brim's case,</p> <p>15 then the response to the ACDV would be the same?</p> <p>16 A. That's probably likely.</p> <p>17 Q. Have you had any conversations other than with</p> <p>18 counsel regarding Mr. Brim's case or his account with</p> <p>19 anyone at Midland?</p> <p>20 A. No.</p> <p>21 Q. You haven't talked about any aspect of Mr. Brim's</p> <p>22 account with any other employee of Midland?</p> <p>23 A. I don't believe so, no. Actually, I may -- I</p> <p>24 don't know which paralegal was assisting with this. I may</p> <p>25 have spoken to the paralegal. But I just don't remember.</p>
<p>122</p> <p>1 incorrect or inaccurate, they might bring that to a</p> <p>2 supervisor's attention or to your attention?</p> <p>3 A. Yes.</p> <p>4 Q. Do you document those issues like in an employee</p> <p>5 file?</p> <p>6 A. Some of them. Not all of them. Sometimes just</p> <p>7 talking to someone and clarifying, finding out what is</p> <p>8 going on. It may be very simple. Other times, it may</p> <p>9 need to be documented.</p> <p>10 Q. With respect to Mr. Brim's account, you are not</p> <p>11 aware of anything that was done inaccurately by the</p> <p>12 employees in consumer relations; is that correct?</p> <p>13 A. Correct.</p> <p>14 Q. None of the employees in consumer relations</p> <p>15 actually ever responded to an ACDV with respect to</p> <p>16 Mr. Brim?</p> <p>17 A. Correct.</p> <p>18 Q. Do you maintain employee files for your consumer</p> <p>19 relations employees independently of their HR file?</p> <p>20 A. Yes.</p> <p>21 Q. Everything we've looked at with respect</p> <p>22 to Mr. Brim's account was handled according to Midland's</p> <p>23 policies and procedures at the time, correct?</p> <p>24 A. Correct.</p> <p>25 Q. Do you know if Midland had received other</p>	<p>124</p> <p>1 Q. No other employees that you recall specifically</p> <p>2 talking with them about the Brim account or the response</p> <p>3 to the ACDV?</p> <p>4 A. Oh, no.</p> <p>5 MS. CAULEY: Those are all the questions I have.</p> <p>6 MR. LANGLEY: I might have one. Let me check.</p> <p>7</p> <p>8 EXAMINATION</p> <p>9 BY MR. LANGLEY:</p> <p>10 Q. Will you look at Document 169. It's within the</p> <p>11 consumer relations operations manual. Look at Box No. 5,</p> <p>12 which is on Page 169.</p> <p>13 A. Okay.</p> <p>14 Q. In the Action column, it says, "If unable to</p> <p>15 determine if proof is valid, account will be reported to</p> <p>16 ACQ," which is acquisitions; is that right?</p> <p>17 A. Yes.</p> <p>18 Q. If consumer relations determines proof is</p> <p>19 invalid, is the account referred to acquisitions?</p> <p>20 A. No.</p> <p>21 MR. LANGLEY: That's all.</p> <p>22 MS. CAULEY: We're done.</p> <p>23 (The proceedings concluded at 3:13 p.m.)</p> <p>24 * * *</p> <p>25</p>



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REPORTER'S CERTIFICATION

I, Denise T. Johnson, a Certified Shorthand Reporter
in and for the State of California, do hereby certify:

That the foregoing witness was by me duly sworn; that
the deposition was then taken before me at the time and
place herein set forth; that the testimony and proceedings
were reported stenographically by me and later transcribed
into typewriting under my direction; that the foregoing is
a true record of the testimony and proceedings taken at
that time.

IN WITNESS WHEREOF, I have subscribed my name this
23rd day of September, 2010.



Denise T. Johnson, CSR No. 11902



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